

Payment Bond

(This bond is issued simultaneously with Performance Bond in favor of the owner conditioned on the full and faithful performance of the contract)

U.S. Department of Housing
and Urban Development
Office of Housing



Project No. _____

Know All Men By These Presents, THAT WE, _____
_____ of _____
_____ as Principal, (hereinafter called the Principal)
and _____, a _____ as Surety,
(hereinafter called the Surety) are held and firmly bound unto _____
_____ as Obligee, (hereinafter called the "Owner"), for the use
and benefit of claimants as hereinafter defined, in the sum of _____
_____ Dollars (\$ _____), lawful money of the United
States of America, for the payment of which Principal and Surety bind themselves, their heirs, execu-
tors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal has entered into a Construction Contract dated _____
with Owner for the construction of a Housing Project designated as _____

a copy of which Construction Contract is by reference made a part hereof; and is hereinafter referred
to as the Contract.

NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION is such that, if Principal shall
promptly make payment to all claimants as hereinafter defined, for all labor and material used or rea-
sonably required for use in the performance of the Contract, then this obligation shall be void; other-
wise it shall remain in full force and effect, subject, however, to the following conditions:

1. A claimant is defined as one having a direct contract with the Principal or with a subcontractor
of the Principal for labor, material, or both, used or reasonably required for use in the performance of
the contract, labor and material being construed to include that part of water, gas, power, light, heat,
oil, gasoline, telephone service or rental of equipment directly applicable to the Contract.

2. The above named Principal and Surety hereby jointly and severally agree with the Owner that
every claimant as herein defined, who has not been paid in full before the expiration of a period of
ninety (90) days after the date on which the last of such claimant's work or labor was done or per-
formed, or materials were furnished by such claimant, may sue on this bond for the use of such claim-
ant, prosecute the suit to final judgment for such sum or sums as may be justly due claimant, and have
execution thereon. The Owner shall not be liable for the payment of any costs or expenses of any such
suit.

3. No suit or action shall be commenced hereunder by any claimant:

a) Unless claimant, other than one having direct contract with the Principal, shall have given written
notice to any two of the following: The Principal, the Owner, or the Surety above named, within ninety
(90) days after such claimant did or performed the last of the work or labor, or furnished the last of the
materials for which said claim is made, stating with substantial accuracy the amount claimed and the
name of the party to whom the materials were furnished, or for whom the work or labor was done or per-
formed. Such notice shall be served by mailing the same by registered mail or certified mail, postage
prepaid, in an envelope addressed to the Principal, Owner or Surety, at any place where an office is
regularly maintained for the transaction of business, or served in any manner in which legal process
may be served in the state in which the aforesaid project is located, save that such service need not
be made by a public officer.

replaces form FHA 2452-A
which is obsolete

form HUD-92452-A (5/89)
ref. Handbook 4571.1



c) Other than in a state court of competent jurisdiction in and for the county or other political subdivision of the state in which the project, or any part thereof, is situated, or in the United States District Court for the district in which the project, or any part thereof, is situated, and not elsewhere.

4. The amount of this bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder, inclusive of the payment by Surety of mechanics' liens which may be filed of record against said improvement, whether or not claim for the amount of such lien be presented under and against this bond.

day of _____, 19____

_____(SEAL)
(Principal)

By _____

(Surety)

By _____

(Surety)

PAYMENT BOND

No. 1

On Behalf of

To

Date _____, 19__

Expires _____, 19__